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## Canada Looks to Increase Chicken Production and Imports

In response to the shortage of chickens in British Columbia, the Chicken Farmers of Canada (CFC) has come up with a plan to temporarily increase chicken production. Poultry farmers in other provinces will be able to lease up to 20,000 metric tons in quota for C\$0.15 per kilogram.

The Government of Canada also announced a temporary new fast track supplementary import policy for primary chicken processors and egg graders to allow for additional supply. The policy focuses on providing supplementary import authorization directly to B.C. primary chicken processors and egg graders operating in the control zone when alternative domestic supplies are not available. The fast track will be available over the next few months as other domestic suppliers increase their production and B.C. producers begin to repopulate their flocks.

International Trade Canada (ITCan), formerly the "trade" part of the Department of Foreign Affairs and International Trade, confirms that a supplementary import allocation of 9,000 metric tons has been provided to 7 chicken processors in B.C. who have lost marketable production in B.C. due to avian influenza control measures. The supplementary allocation is effective until June 12, 2004.

The global import allocation for 2004 under Canada's chicken TRQ is 70,000 metric tons for all of Canada. ITCan, the industry and the B.C. government will look at the situation again later for the next 8 week period after June 12.

The target date to complete the cull in commercial flocks is May 21. As of May 12, a total of 15,271,623 birds have been disposed and 1,257,910 of those were infected. There were 3,278,727 birds remaining. Cleaning and disinfection has begun on 21 out of 40 infected commercial premises and the first premises were completed on Friday May 7. After the last farm has been disinfected a waiting period will begin. Returning to full production could take until the spring of 2005.

## Placements, Laying Chicks by Province or Region

Provinces	Five week period ending April 3			January - April 3		
	2004 as %			2004 as %		
	2003	2004	of 2003	2003	2004	of 2003
Atlantic	34	40	117.6	388	225	58.0
Quebec	148	153	103.4	812	763	94.0
Ontario	545	823	151.0	2,031	1,901	93.6
Manitoba	181	195	107.7	486	407	83.7
Saskatchewan	75	97	129.3	89	133	149.4
Alberta	220	151	68.6	401	310	77.3
British Columbia	155	19	12.3	464	245	52.8
Canada	1,358	1,478	108.8	4,671	3,984	85.3

**Background** The Canadian Food Inspection Agency (CFIA) confirmed the presence of avian influenza in Fraser Valley, British Columbia, on February 19, 2004. High path was confirmed a few weeks later, after the low path strain mutated into a high path form. A Control Zone was

established on March 11 to prevent the spread of avian influenza.

On April 5, 2004, due to the rapid spread of the virus within the Control Zone, the Minister of Agriculture and Agri-Food announced the depopulation of all commercial poultry flocks in British Columbia's Fraser Valley. There have been no new H7 infected premises identified since April 29.

## Canada: Stocks of Frozen and Chilled Meats in Cold Storage (MT)

	1-Apr-03	1-Mar-04	1-Apr-04	% Change Previous	
				Month	Year
Chicken and fowl	28,022	24,511	27,419	12	-2
Turkey	21,066	19,671	16,797	-15	-20
Other poultry	4,454	3,690	3,781	2	-15
Total Poultry	53,542	47,873	47,998	0	-10
Total Red Meat	89,415	89,452	87,508	-2	-2

April 2004 figures are preliminary

Sources: Statistics Canada, Agriculture Division, Agriculture and Agri-Food Canada, Canadian Food Inspection Agency, Chicken Farmers of Canada, USDA/FAS, various news wires

## U.S. Poultry Exports to the Middle East Sharply Higher

For the first three months of 2004, poultry exports to the Middle East grew to 44,338 MT compared to 16,325 MT for the same period in 2003. The largest increase was in exports of chicken leg quarters, which totaled 41,581 MT in 2004 compared to 15,691 in 2003.

## Jan-Mar U.S. Poultry Exports to the Middle East in metric tons

	Quantity		Value	
	2003	2004	2003	2004
Bahrain	191	271	136,000	219,000
Jordan	104	155	62,000	210,000
Lebanon	17	3	16,000	12,000
Oman	99	189	44,000	19,000
Qatar	142	61	116,000	77,000
Saudi Arabia	195	116	189,000	266,000
Turkey	8,517	36,056	2,470,000	26,173,000
Israel	6	0	7,000	0
Iraq	0	1,322	0	842,000
Kuwait	236	3,317	300,000	2,703,000
UAE	6,819	3,018	3,479,000	2,352,000
Total	16,325	44,338	6,821,000	32,875,000
HS code 0207				

Source: Department of Commerce, U.S. Census Bureau

**Inspected Egg Products-U.S. & Canada Export/Import Trade****U.S. Exports to Canada, in Pounds (000) (Preliminary)**

Week Ending May 08, 2004		Year-To-Date		
Type	2004	2003 /1	2004	2003
LIQUID	49	411	2,758	4,703
FROZEN	0	0	0	63
DRIED	49	41	203	176
TOTAL	98	452	2,961	4,942

**U.S. Imports From Canada, in Pounds (000) (Preliminary)**

Week Ending May 08, 2004		Year-To-Date		
Type	2004	2003 /1	2004	2003
LIQUID	34	141	1,284	1,860
FROZEN	87	42	612	1,267
DRIED	80	0	1,139	440
TOTAL	201	183	3,035	3,567

**Inspected Shell Eggs****U.S Exports To Canada, In 30-Dozen Cases (Preliminary)**

Week Ending May 08, 2004		Year-To-Date		
Type	2004	2003 /1	2004	2003
JUMBO	33	45	83	166
EXTRA LAR	767	290	8,717	4,150
LARGE	3,340	2,825	22,673	20,848
MEDIUM	2,790	690	22,350	21,392
UNGRADED	15,216	5,250	90,575	17,706
MISC	30	30	8,814	3,432
TOTAL	22,176	9,130	153,212	67,694

/1Comparable Week, to-date figures may not total due to rounding.

Data Source: Agriculture Canada, Poultry Development Division.

Source: USDA/AMS Poultry Programs, Market News Branch.

**LIVE POULTRY SLTRD UNDER INSPECTION** W/E 08-May-04

(PRELIMINARY)

**U.S. FOWL SLAUGHTERED DOMESTICALLY**

	LIGHT HENS	HEAVY HENS	TOTAL HENS
THOUSANDS			
HEAD	1,328	1,354	2,682
LAST WEEK	1,299	1,385	2,684
SAME WEEK YR AGO	1,586	1,364	2,950
TO-DATE/2004	23,385	22,959	46,344
TO-DATE/2003	31,023	23,933	54,956

**U.S. FOWL SLAUGHTERED IN CANADA**

	LIGHT HENS	HEAVY HENS	TOTAL HENS
THOUSANDS			
HEAD	163	0	163
LAST WEEK	277	0	277
SAME WEEK YR AGO	98	0	98
TO-DATE/2004	4,209	53	4,262
TO-DATE/2003	5,037	64	5,101

Source: Agriculture Canada, Poultry Development Division

**TOTAL U.S. FOWL SLAUGHTERED IN THE U.S. AND CANADA**

	LIGHT HENS	HEAVY HENS	TOTAL HENS
THOUSANDS			
HEAD	1,491	1,354	2,845
LAST WEEK	1,576	1,385	2,961
SAME WEEK YR AGO	1,684	1,364	3,048
TO-DATE/2004	27,594	23,012	50,606
TO-DATE/2003	36,060	23,997	60,057

Source: USDA/AMS Poultry Programs, Market News Branch

**CENTRAL REGION MECHANICALLY SEPARATED CHICKEN**

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE CENTRAL REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

May 14, 2004				
CHICKEN		PRICES	VOLUME	
		(Cents per Pound)		

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

**CHICKEN, WITH SKIN ADDED**

PRICES				
CHICKEN		PRICES	VOLUME	
		(Cents per Pound)		
FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	-	12.00-15.00	81,600	-
WTD AVERAGE		13.50		
15-20%				
RANGE	15.00-18.00	11.75-14.00	2,173,200	1,124,800
WTD AVERAGE	16.21	12.76		
20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				

\* INCLUDES THE STATES of AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

**EASTERN REGION MECHANICALLY SEPARATED CHICKEN**

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE EASTERN REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

May 14, 2004				
CHICKEN		PRICES	VOLUME	
		(Cents per Pound)		

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

**CHICKEN, WITH SKIN ADDED**

PRICES				
CHICKEN		PRICES	VOLUME	
		(Cents per Pound)		
FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	14.50-16.00	16.00	1,120,000	520,000
WTD AVERAGE	15.35	16.00		
15-20%				
RANGE	13.25-19.00	12.75-16.00	3,060,800	1,620,000
WTD AVERAGE	17.51	14.27		
20% OR MORE				
RANGE	-	12.00	200,000	-
WTD AVERAGE		12.00		

\* INCLUDES THE STATES of CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

**NATIONAL YOUNG TURKEY PARTS AND BULK MEAT, FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 14 MAY 2004.**

The frozen thigh meat market continued steady to weak with offerings noted from multiple sellers at lower trending price levels for domestic and export shipments, fresh mostly steady. Frozen thigh meat demand sluggish, fresh inquiry light to fair. Offerings of frozen thigh meat adequate to instances burdensome, fresh light to adequate. Fresh white meat demand was fair to good. Frozen white meat demand was light to fair with wing meat and breast trim the most active. Offerings ranged from tight on wing meat with skin to fully adequate on frozen scapula. Trading was heavy on fresh MST and moderate on white meat for domestic shipments, balance slow. For domestic: frozen -20% MST -120 days age 24 pet food, frozen Grade A frozen 16-18 lb. WOG 78 delivered early June, frozen plant grade basted 20-24 lb. breasts 120, fresh drum meat 65, fresh scapula 105-114, fresh wing meat with skin 107, fresh breast trim 120-123 cents delivered.

**FRIDAY, MAY 14, 2004****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	34.00-35.00		34.42	190	34.22	614
WINGS FULL-CUT - TOMS	45.00		45.00	52	44.19	172
WINGS, V-TYPE, TOM						
TAILS		R	35.50	80	35.50	80
MECHANICALLY SEPARATED 2/		W	37.00	40	37.00	40
THIGH MEAT - FROZEN	88.00		88.00	80	82.83	512

**THURSDAY, MAY 13, 2004****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	34.00-36.00		34.40	200
WINGS FULL-CUT - TOMS		W	44.00	80
WINGS, V-TYPE, TOM				
TAILS	34.00-37.00		35.50	80
MECHANICALLY SEPARATED 2/		W	37.00	40
THIGH MEAT - FROZEN		W	80.14	352

**WEDNESDAY, MAY 12, 2004****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	33.00-35.00		33.56	144
WINGS FULL-CUT - TOMS	44.00		44.00	80
WINGS, V-TYPE, TOM				
TAILS		R	36.00	40
MECHANICALLY SEPARATED 2/	37.00		37.00	40
THIGH MEAT - FROZEN	79.00-89.00		80.14	352

**TUESDAY, MAY 11, 2004****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	33.00-36.00		34.50	80
WINGS FULL-CUT - TOMS	43.50		43.50	40
WINGS, V-TYPE, TOM		T	28.00	208
TAILS		R	36.00	40
MECHANICALLY SEPARATED 2/		W	35.00	52
THIGH MEAT - FROZEN	89.00		89.00	40

**MONDAY, MAY 10, 2004****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		F	35.00	340
WINGS FULL-CUT - TOMS		F	45.00	80
WINGS, V-TYPE, TOM		T	28.00	208
TAILS		R	36.00	40
MECHANICALLY SEPARATED 2/		W	35.00	52
THIGH MEAT - FROZEN	90.00		90.00	40

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY

2/ Product contains 15-20% fat with skin added.